

Meeting Minutes
Audit Committee of the
South Carolina Education Lottery Board of Commissioners
August 12, 2009
9:30 A.M.

A meeting of the Audit Committee of the South Carolina Education Lottery Board of Commissioners was held on Wednesday, August 12, 2009, at 9:30 a.m. in the First-Floor Conference Room, 1333 Main Street, Columbia, South Carolina.

The following committee members participated:

Jimmy Bailey, Jr., Chair
Tim Madden, ex-officio
Dr. Edward Keith*
Boykin Rose*
Nathaniel Spells, Sr.*

The Chair called the meeting to order.

Agency Self Assessment Survey

The Chair of the Audit Committee recognized Bethany Parler, Internal Auditor, to brief members of the committee on SCEL's annual Self Assessment Survey. Mrs. Parler noted the survey is based on industry standards and is designed to assess the tone and culture of the organization. The 39 percent response rate from employees was down slightly from the 41 percent response rate last year. A response rate above 35 percent is considered good by industry standards.

*These Commissioners participated via teleconference.

Mrs. Parler reported that the survey is comprised of five sections: SCEL's Culture, Policies and Procedures, Information and Communication, Goals and Obstacles, and Evaluation and Feedback. All five sections received responses of "agree" and "strongly agree" in the range of 94 percent-97 percent. A final question addressed whether employees suspected any fraudulent activities occurring in the workplace and a 100 percent of the responses indicated "no." Mrs. Parler believed that overall, the survey reflected a very positive agency self assessment.

Commissioner Bailey opened the floor for any questions and comments regarding the survey. He acknowledged the great results of the survey and thanked Mrs. Parler for performing the survey.

Annual Evaluation of the Internal Auditor

Executive Session

Commissioner Madden made a motion to go into executive session as authorized in § 30-4-70(a)(1) for the specific purpose of discussing the performance evaluation of the Internal Auditor. Commissioner Spells seconded the motion, which was unanimously adopted.

Upon adoption of the motion as provided by the South Carolina Freedom of Information Act (S.C. Code § 30-4-10 et seq.), Chairman Bailey announced the specific purpose of the executive session as referenced in the above motion and asked all those in attendance, except members of the Board and Mrs. Parler, to exit the meeting.

Return to Open Session

Upon conclusion of the executive session, the Chairman announced that the Audit Committee was returning to open session. He confirmed that no action was taken during the executive session and no business other than that which was authorized by the motion was discussed.

Motion Adopted

Commissioner Madden made a motion to recommend reporting to the full Board that the Audit Committee performed an annual evaluation of the Internal Auditor, Mrs. Parler, without a recommendation for a salary increase.

Although the Committee is pleased with her performance and Mrs. Parler received a very favorable evaluation, Commissioner Madden explained this motion is consistent with the decision not to award merit increases to any employees which was made with the adoption of the FY10 budget in May 2009.

Commissioner Rose seconded the motion, which passed unanimously.

Other Business

There being no further business, the meeting was adjourned.

_____/s/
Jimmy Bailey, Jr., Chair

Date

As required by Section 30-4-80, notification for this meeting was posted at SCEL headquarters, 1333 Main Street in Columbia. As provided in the Commission bylaws, the meeting notice and agenda were also posted on the SCEL website, sceducationlottery.com, and sent via facsimile transmission pursuant to requests made by media outlets and other organizations. These notifications included the time, date, place and agenda of the meeting.